

FOR IMMEDIATE RELEASE

Thursday, September 10, 2020

Virginia Mental Health Agency Agrees to Pay \$263,280 to Settle Civil False Claims Act Lawsuit

ALEXANDRIA, Va. – Victoria Transcultural Clinical Center, VTCC, LLC (“VTCC”), located in Fairfax, has agreed to pay \$263,280 to settle a federal False Claims Act (“FCA”) case pending in the United States District Court for the Eastern District of Virginia. VTCC provides mental health services and behavioral therapy to children and adolescents in northern Virginia who are Medicaid recipients.

On June 15, 2020, the United States and the Commonwealth of Virginia filed a Complaint under the FCA and the Virginia Fraud Against Taxpayers Act alleging that VTCC engaged in a scheme to obtain payments from the Virginia Medicaid Program by inflating bills for services rendered, by billing for services not rendered, and by failing to take steps to repay overpayments within 60 days after VTCC identified these claims. According to the allegations in the Complaint, three Qualified Mental Health Professionals and VTCC’s Director of Operations knowingly inflated hours they spent providing services to children and adolescents in need of intensive in-home and behavioral therapy services, including by billing time for services provided while the minor patients were out of the country or no longer receiving treatment from VTCC. The Government also alleged that VTCC’s management was aware of a general breakdown of VTCC’s clinical supervision policy and protocols and of specific instances of billing for services not rendered, and that VTCC failed to take action to repay the Virginia Medicaid Program in a timely manner.

The settlement announced today resolves a lawsuit originally filed under the whistleblower provisions of the FCA and the Virginia Fraud Against Taxpayers Act by a former employee of VTCC. A whistleblower suit or qui tam action under the FCA is commenced by an individual, known as a “relator,” filing a complaint under seal in the U.S. District Court, and providing a copy of the complaint and other evidence to the local U.S. Attorney. The United States then has an opportunity to investigate the claims. The FCA provides the whistleblowers with a share of the government’s recovery.

Tips and complaints from all sources about potential fraud, waste, abuse, and mismanagement of Medicare or Medicaid funds can be reported to the Department of Health and Human Services, at 800-HHS-TIPS (800-447-8477).

The resolution obtained in this matter was the result of a coordinated effort between the U.S. Attorney’s Office for the Eastern District of Virginia, the Virginia Medicaid Fraud Control Unit within the Office of the Virginia Attorney General, the U.S. Department of Health and Human Service’s Office of Inspector General, and the Federal Bureau of Investigation’s Washington Field Office.

Assistant U.S. Attorneys Ilene Albala and Krista Anderson investigated the matter and prosecuted the case with Assistant Attorneys General Caitlyn Huffstutter, Megan Winfield, and Katherine Wright of the Virginia Attorney General Medicaid Fraud Control Unit. The civil claims settled by this FCA agreement are allegations only; there has been no determination of civil liability.

Related court documents and information from the civil lawsuit are available on PACER by searching for Case No. 1:19-cv-68. A copy of this press release is located on the website of the U.S. Attorney's Office for the Eastern District of Virginia.